Postal Regulatory Commission Submitted 6/20/2016 10:00:00 AM Filing ID: 96309 Accepted 6/20/2016

UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Competitive Product Prices Global Plus 1C Contracts (MC2012-6) Negotiated Service Agreement Docket No. CP2016-198

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE NOTICE OF FILING A FUNCTIONALLY EQUIVALENT GLOBAL PLUS 1C NEGOTIATED SERVICE AGREEMENT

(June 20, 2016)

The Public Representative hereby provides comments pursuant to a Commission Notice.¹ In that Notice, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of its entering into an additional Global Plus 1C Negotiated Service Agreement.²

The Postal Service seeks to add the Global Plus 1C Negotiated Service Agreement (contract) to the competitive products list, asserting that it is functionally equivalent to the baseline agreements in CP2012-12 and CP2012-13. *Id.* at 3. It further asserts that the contract is in compliance with 39 U.S.C. §3633. *Id.* at 2.

The Postal Service intends the effective period of the agreement to be July 1, 2016 for one year, unless terminated sooner as provided for in the terms of the contract. *Id.* at 3.

¹ PRC Notice Initiating Docket(s) for Recent Postal Service Negotiated Service Agreement Filings, June 13, 2016.

² Notice of the United States Postal Service of Filing A Functionally Equivalent Global Plus 1C Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, June 10, 2016, (Notice).

COMMENTS

The Public Representative has reviewed the Postal Service's Notice, the Global Plus 1C Negotiated Service Agreement filed under seal, the supporting financial model also filed under seal, and all other materials filed with the Notice.

Functional Equivalency. The Postal Service contends that the instant contract is functionally equivalent to the baseline contracts in Dockets CP2012-12 and CP2012-13 in that they share similar cost and market characteristics. *Id.* at 4. The Postal Service, however, does identify a number of differences between the instant contract and the baseline contract, but does not consider them "to affect either the fundamental service the Postal Service is offering or the fundamental structure of the contract". *Id.* at 7.

The Public Representative has reviewed the instant Global Plus 1C contract and the baseline contracts in CP2012-12 and CP2012-13 and considers them functionally equivalent. Differences between the instant and baseline contracts appear not to impact any cost or market characteristics that would differentiate the contracts at any substantive level.

Statutory Criteria. 39 U.S.C. §3633. The Postal Service also asserts that the instant contract meets the requirements of 39 U.S.C §3633 that apply to competitive products. *Id.* at 8.

The Public Representative has reviewed the financial documentation filed under seal with the Commission and agrees that all three criteria under 39 U.S.C. §3633 are met under this contract, using the financial data provided.

Docket No. CP2016-198 PR Comments

The Public Representative provides these comments for the Commission's consideration.

Respectfully Submitted,

/s/ Cassie D'Souza

Cassie D'Souza Public Representative

901 New York Avenue, N.W., Suite 200 Washington, DC 20268-0001 Phone (202) 789-6815;

Email: cassie.dsouza@prc.gov